

apparent that too many guys had planned on taking the same girl home. There were too few resources available for all of their plans to succeed. The most crucial—and most general—unavailable factor was a continuing flow of investment funds. There also turned out to be shortages of programmers, network engineers, technical managers, and other factors of production. The rising prices of these factors exacerbated the ill effects of the shortage of funds.

The business plans for many of the startups involved negative cash flows for the first 10 or 15 years, while they “built market share.” To keep the atmosphere festive, they needed the host to keep filling the punch bowl. But fears of inflation led to Federal Reserve tightening in late 1999, which helped bring MZM growth back into the single digits (8.5% for the 1999–2000 period). As the punch bowl emptied, the hangover—and the dot-com bloodbath—began. According to research from Webmatters.com, at least 582 Internet companies closed their doors between May 2000 and July of this year. The plunge in share price of many of those still alive has been gut wrenching. The NASDAQ retraced two years of gains in a little over a year.

During the first half of 2001, the Fed demonstrated—with its half-dozen interest-rate cuts and a near-desperate MZM growth of over 23%—that you can’t recreate euphoria in the midst of a hangover.

It all adds up to the Austrian theory. As a final twist to our story, we note that Krugman, who before could only mock the Austrians, has recently given us an Austrian account of our macroeconomic ills. In his “Delusions of Prosperity” (New York Times, 8/14/01), Krugman explains how our current difficulties go beyond those of a simple financial panic:

“We are not in the midst of a financial panic, and recovery isn’t simply a matter of restoring confidence. Indeed, excessive confidence [fostered by unduly low interest rates maintained by rapid monetary growth?—RG & GC] may be part of the problem. Instead of being the victims of self-fulfilling pessimism, we may be suffering from self-defeating optimism. The driving force behind the current slowdown is a plunge in business investment. It now seems clear that over the last few years businesses spent too much on equipment and software and that they will be cautious about further spending until their excess capacity has been worked off. And the Fed cannot do much to change their minds, since equipment spending [at least when such spending has already proved to be excessive—RG & GC] is not particularly sensitive to interest rates.”

With Krugman on the verge of rediscovering the policy-induced self-reversing process that we call the Austrian theory of the business cycle, we confidently claim that current macroeconomic conditions are best described as a classic Hayekian hangover. The Austrian theory, of course, gives us no policy prescription for converting this ongoing hangover into renewed euphoria. But it does provide us with the best guide for avoiding future ones.

TREASURY AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 2003

SPEECH OF

HON. MIKE ROGERS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 24, 2002

The House in Committee of the Whole House on the State of the Union had under

consideration the bill (H.R. 5120) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 2003, and for other purposes:

Mr. ROGERS of Michigan. Mr. Chairman, I want to thank my colleagues, and I will ask for their help today because Michigan is in need.

In the Civil War, Michigan mustered 90,000 troops to defend the Union. During that tumultuous time in our history, Abraham Lincoln was quoted as saying: “Thank God for Michigan.” We have the second most diverse agricultural crop in the United States. We offer all the flavors of this great country to our fellow States.

Michigan is responsible for creating the permanent middle class in America when Henry Ford decided to pay the workers on the line \$5 a day. During World War II, Michigan converted all of its automobile production plants into plants that produced military arsenal, making Michigan the arsenal of democracy for the world. We did that for the United States of America. Michigan is home of the Great Lakes, which account for 20 percent of the world’s fresh water, all of it worth defending. And I am here to tell you today that Michigan right now is under attack. I need every colleague in this House from Maine to California to Florida and in between to step up to the plate and say, “We will stand beside you, those who have stood by America before.”

In the year 2000, Canadians sent 4.2 million cubic yards of waste to Michigan, nearly double from the year before. Canada is the second largest land mass country in the world, and yet they are unable to handle their own trash. This situation gets worse.

Toronto is scheduled to close its last landfill at the end of the year. Recently, city workers in Toronto went on strike. I want to point this out to you. This is the scene in Toronto just a few weeks ago: trash blocking roadways. This is a park area filled with trash from Toronto. As you can see, the residents were throwing bags of garbage over the fence, piling up everywhere all across their city.

Here is the bad news. All of that trash that my colleagues see right here is coming to the great State of Michigan and we are absolutely uncertain as to its contents. Let me just quote for my colleagues a woman from Toronto as quoted in the Toronto Star, when city workers settled a strike that allowed garbage to pile up in the streets. She was quoted as saying “I’m relieved that it’s on its way. It was polluted, smelly and germ.”

160 semi-trucks each day are delivering polluted, smelly and germ Toronto trash to the great State of Michigan. At the end of this year, when Toronto’s last remaining landfill closes, that number is expected to exceed 250 trucks every day of this trash in our landfills. Michigan has had a long-term plan to deal with its own garbage. Just with Canadian trash alone, Michigan’s landfill capacity has been reduced from 20 years to 10 years, and getting smaller every day.

In one landfill that accepts Canadian trash, PCBs and soiled coffin waste were discovered. The needle program in Toronto is coming to a landfill near you great citizens of Michigan.

This amendment is important today. There is a lot of work we need to do on this issue to stop Canadian trash. However, we ought to

have the courage today to stand with our fellow Michiganders to give them at least the hope of protecting their environment in the great State of Michigan.

The purpose of my amendment is to hire six U.S. Customs agents to be stationed 24 hours a day on the Ambassador Bridge and the Blue Water Bridge, three at each bridge for every shift. The sole responsibility of these agents will be to inspect Canadian trash coming into Michigan. The money provided includes dollars for equipment, training and benefits.

Now, the only way to know what’s in this trash is to get our hands dirty and inspect it. Let’s find out where the PCBs are coming from, where the soiled coffin waste is coming from and where the bottles are coming, since Canada does not have a bottle deposit program like Michigan.

This is the right and decent thing to do, to let us in Michigan defend our borders as we have stood with the rest of this country to defend theirs.

I am going to ask my colleagues again today, please strongly support this amendment. We want to make sure that every trash container coming into Michigan meets existing environmental and health regulations. Today, we have no assurance that is happening. Today, we cannot be certain that there is no leeching from this material, ruining our lakes, our streams and ruining the great land of Michigan.

Instead of spending a little more money going after grandma who owes the IRS \$12, we are going to spend just a little bit less from the \$4 billion account that we are reducing to protect the health and environment of my home State, the great State of Michigan. I challenge all of my colleagues to please support this issue. Stand loudly with us as we tell the Canadians to please handle their own trash and leave the littering to those who get a ticket.

IN HONOR OF DORIS THOMAS

HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 2002

Ms. PELOSI. Mr. Speaker, I rise to pay final tribute to my friend Doris Thomas, who died peacefully on July 8 in San Francisco. Doris was a long-time community organizer and political activist who worked tirelessly to empower local communities through political involvement. Doris was a leader in our City, and I join so many other San Franciscans in mourning her passing.

Born in Laurel, Mississippi, to the Reverend Simon S. Thomas and Rosa Henry, Doris was one of five children. After earning a B.A. from Hampton University and a law degree from Howard University in Washington D.C., Doris moved to San Francisco. From 1963 until 1983 she served as District Director for the great Congressman Philip Burton. She was a patient, savvy problem solver who specialized in immigration issues. After Congressman Burton’s death she worked for his wife, Congresswoman Sala Burton. Doris also worked for Mayors Frank Jordan and Willie Brown as a program manager for the Mayor’s Office of Community Development.

Doris was a tireless champion of the African-American Community and a member of

the Black Leadership Forum. Her public service transcended any particular organization, however, and she was active in the Chinese-American Democratic Club, the Democratic Women's Political Forum, and other groups. She contributed her political expertise to many campaigns, including those of Philip Burton, Sala Burton, Frank Jordan, Jesse Jackson, and my own.

After retiring from Congressional work in 1987, Doris turned her focus to government and political consulting, specializing in immigration law. In addition to helping countless individuals earn citizenship, she dedicated herself to voter education. Among her influential efforts for political mobilization was her role as founder of the Bayview-Hunters Point Democratic Club.

Doris Thomas was a devoted mother, sister and friend. To her daughter, Tandi, and her sisters, Naomi Gray and Ruth Long, I extend my deepest sympathies. To all those who loved Doris, thank you for sharing her with us.

DISAPPROVAL OF NORMAL TRADE RELATIONS TREATMENT TO PRODUCTS OF VIETNAM

SPEECH OF

HON. SHEILA JACKSON-LEE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 23, 2002

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise in support of H.J. Res. 101, Disapproval of Trade Waiver Authority With Respect To Vietnam. This resolution puts the principles of the United States first, and is required of this House in light of both the Jackson-Vanik amendment to the 1974 Trade Act and recent events affecting our diplomatic relationship with this developing nation.

United States' law requires that permanent normal trade relations be granted to non-market economies that the president can certify have free emigration. Absent this showing, the President can waive the provisions of the amendment if doing so will promote emigration in the future.

Last year, Vietnam purchased Boeing aircrafts to initiate the Vietnam-U.S. trade pact. Trade is vital to the development of Vietnam. Vietnam has greatly reduced the incidence of poverty. The World Bank reports that there is a rise in per capita expenditure and also there are widespread reports of improvements in broad well-being. While the progress achieved over the past decade has been impressive by almost any standards, Vietnam still remains a very poor country.

The State Department in its 2001 Country Reports on Human Rights Practices noted that Vietnam has a poor human rights record. This record has worsened. Vietnam continues to commit numerous and serious abuses to its people. Vietnam continues to repress basic political and some religious freedoms. Vietnam continues to restrict significantly civil liberties on grounds of national security and societal stability.

Vietnam, a formerly hostile nation, has a large trade surplus with the United States and a questionable human rights record, and they ask for trade waiver authority review. I do not seek to disparage the gains Vietnam has made in re-engaging the world. I do seek to

create a consistent balance between our trade priorities and the principles we use to steer this nation. We cannot continue to hold ourselves out as a nation of laws and turn our back on our convictions at every economic opportunity.

Therefore, I rise in support of this resolution because our trade policy must be balanced with a sense of moral leadership. We should not hold our trade relationship over Vietnam, nor should we allow globalization to commit us to policies against our best sense as a nation. Vietnam has done much, but it can do more. Other countries may turn a blind eye to issues such as the rights of workers and the environment, but we are not other nations.

I urge my colleagues to vote in favor of H.J. Res. 101, disapproving trade waiver authority with respect to Vietnam. It is time to begin thinking about what trade should mean; huge deficits for the U.S. for the sake of a few reforms is not the answer.

IN HONOR OF PASTOR JOHN PARISH

HON. J.C. WATTS, JR

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 2002

Mr. WATTS of Oklahoma. Mr. Speaker, In my home town of Eufaula, Oklahoma, we are blessed by a wonderful sense of community, where neighbors help neighbors, and no one is a stranger. One important reason for this great blessing is the inspired guidance of our religious leaders.

One of those leaders has been bringing God's word to not only Eufaula but also, through his daily radio program, to folks throughout Oklahoma, for 27 years. Pastor John Parish of the Lighthouse Christian Center has been a beacon of faith and prayer, of hope and love, and of charity and outreach to the less fortunate.

Though John is not a physically large man, he has a large voice and a large presence that is respected by his congregation and the entire community. He is a caring man and he leads a loving and caring church. During last year's ice storm, you didn't have to be a member of his church to receive an outstretched hand of help from Pastor Parish. He went wherever he was needed.

John is supported in his ministry by his remarkable wife Rhea, and the church's youth ministry is led by his son Jonathan and his wife Kelly. Thanks to the contributions of this wonderful family, Eufaula is a better place to live and raise a family.

This Sunday the community and John's congregation are gathering to celebrate his 50th birthday. I would like to congratulate John on this milestone and thank him for his lifetime of dedication and service to our wonderful Savior, to family and to our community.

STATEMENT IN HONOR OF PHYLLIS WATTIS

HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 2002

Ms. PELOSI. Mr. Speaker, I rise to pay final tribute to one of San Francisco's most gen-

erous patrons of the arts, Phyllis Wattis, who died June 5th at age 97. Phyllis's extraordinary generosity and commitment to artistic, educational, and scientific organizations continues to enrich the lives of all of us who live in the San Francisco Bay Area. Through her philanthropy and her personal warmth, she left an indelible mark on our City and the lives of those who loved and admired her.

Phyllis and her husband Paul moved to San Francisco in 1937. With her pioneering spirit and contagious enthusiasm, Phyllis adopted the arts as her philanthropic cause. In 1958, Mr. and Mrs. Wattis established the Paul L. and Phyllis Wattis Foundation. When her husband died in 1971, she assumed the presidency of the Foundation. After 1988, Phyllis dissolved the foundation and began making individual contributions to a variety of educational and cultural institutions. Her consummate modesty in giving makes it impossible to know the total amount of her contributions, but it has been estimated at \$200 million.

She gave to the Fine Arts Museums of San Francisco, the San Francisco Symphony, the San Francisco Opera and the San Francisco Art Institute. She donated significantly to the San Francisco Museum of Modern Art, first to construct its stunning new home and then to build a world-renowned collection equal to its new building. She funded a new building at the California Academy of Sciences, and gave major grants to the Smith Kettlewell Eye Research Institute, Children's Hospital of San Francisco, UC Irvine, and Bellarmine College Preparatory.

Nearly every major cultural, educational, and scientific organization in San Francisco has benefited from her generosity. For her long service to the community, she received an honorary Doctor of Fine Arts degree from the San Francisco Art Institute and commendations from several San Francisco Mayors. I was proud to nominate her for a National Medal of Arts.

Phyllis's contribution to the arts was not only financial. Her leadership, creativity, and intelligence were immense gifts in their own right. She was never afraid to take risks on new and innovative art, and her vision enabled arts organizations to push forward into new ground. Her sharp eye and captivating personality helped to nurture some of the city's most important cultural institutions.

San Francisco is forever indebted to Phyllis. Her contributions to our cultural resources are immeasurable; her friendship and energy will be sorely missed. It is with great sadness and recognition of their loss that I offer my deepest sympathies to her son Paul, her daughter Carol, her five grandsons, three granddaughters, and eight great grandchildren. Like the art she left behind, our memories of Phyllis are permanent and beautiful.

TRIBUTE TO HON. TONY HALL

HON. LOUISE McINTOSH SLAUGHTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 2002

Ms. SLAUGHTER. Mr. Speaker, I rise in tribute to a dear colleague and friend, the Honorable TONY HALL of Ohio.

We are nearing the time to say good-bye to TONY who has honorably served his constituents of Montgomery County, Ohio for 23